

M. Marshall

FILED

AO 91 (Rev. 08/09) Criminal Complaint

UNITED STATES DISTRICT COURT

2012 AUG -3 PM 2:00

for the

Western District of Texas

CLERK US DISTRICT COURT
WESTERN DISTRICT OF TEXASBY DM
DEPUTY

United States of America)

v.)

Kevin Dewayne Pate)

aka)

Kevin Dane Jeffus)

Case No.

A-12-M-515

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of 05/28/11 and 04/15/12 in the county of Travis in the
Western District of Texas, the defendant(s) violated:

Code Section

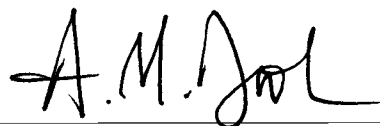
18 USC Section 513

Offense Description

Whoever makes, utters or possesses a counterfeited security of a State or political subdivision thereof or of an organization, with intent to deceive another person, organization, or government, shall be fined under this title or imprisoned for not more than 10 years, or both.

This criminal complaint is based on these facts:

See attached Affidavit of SSA Andrew M. Dooher, USSS

☒ Continued on the attached sheet.

Complainant's signature

Andrew M. Dooher, Senior Special Agent


Printed name and title

Sworn to before me and signed in my presence.

Date:

8/3/2012

City and state:

Austin, Texas
Judge's signature

Mark Lane

Printed name and title United States Magistrate Judge

2012 AUG -3 PM 2: 00

BY

DEPUTY

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CRIMINAL NO. A-12-M-515

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2. I respectfully submit this affidavit in support of the Government's application in support of a Criminal Complaint against Kevin Dewayne PATE for violation of Title 18 United States Code, Section 513 (Counterfeiting of Securities of the States and Private Entities).

The Statutes

3. Title 18, United States Code, Section 513 provides that "Whoever makes, utters, or possesses a counterfeited security of a State or political subdivision thereof or of an organization, with intent to deceive another person, organization, or government shall be fined under this title or imprisoned for not more than 10 years, or both."

The Offense

Based upon information that I have obtained during the course of the investigation, I have determined that the following occurred:

4. On 06/07/11, Austin Police Detective Matt Conley and I met with Senior Investigator David Investigator Crowther of Target Stores, Inc. Investigator Crowther reported that Target stores in central and eastern Texas, including Austin, Houston, San Antonio, and Dallas, were being repeatedly defrauded by an individual passing counterfeit commercial checks.

5. Investigator Crowther reported he began his investigation in 2010 when he discovered similarities among several counterfeit checks that banks had returned to Target Stores as forged/altered items. Investigator Crowther collected copies of the counterfeit checks, store surveillance video/photos, and electronic journals (register receipts) documenting the fraud. By analyzing the collected documents, Investigator Crowther concluded an unidentified heavy-set white male adult was responsible for fraudulently negotiating hundreds of counterfeit commercial checks between August 2009 and June 2011.

6. Investigator Crowther explained that during his investigation he detected the following pattern of activity related to the fraud scheme perpetrated by the unidentified heavy-set white male adult:

- a. The counterfeit checks are made to appear to be drawn against construction or manufacturing businesses, often incorporating the words "Mechanical", "Consulting", or "Contracting" into the business name;
- b. The total of the individual fraudulent transactions is generally between \$80 and \$110;
- c. The handwriting on each counterfeit check appears similar, with the word "Target" centered on the "Pay to the Order Of" line;
- d. The unidentified perpetrator generally purchases one item per fraudulent transaction;
- e. The unidentified perpetrator frequently conducts two transactions in a row, passing one counterfeit check during each transaction;
- f. The unidentified perpetrator frequently purchases stored value cards or electric razors with the counterfeit checks;
- g. The unidentified perpetrator often purchased merchandise at one store only to return the fraudulently obtained merchandise a few days later to a different store, obtaining a refund in the form of cash or stored value cards;
- h. The unidentified perpetrator wears a hat when conducting the fraudulent transactions.

7. Investigator Crowther reported Target uses check verification software at its point of sale terminals. Investigator Crowther determined the unidentified perpetrator was able to defeat the check verification software in part because the counterfeit checks bore legitimate bank routing numbers and viable (but not necessarily legitimate) account numbers. Investigator Crowther further said the perpetrator frequently changed the routing numbers and account numbers in an apparent effort to avoid detection.

8. Investigator Crowther explained that in late 2010 he distributed an 'Alert' bulletin

to numerous Target stores which included information about the case and photos of the unidentified perpetrator. On 06/05/11, a Target Stores Investigator observed the unidentified perpetrator inside the Target store located at 12901 N. IH-35, in Austin, TX. The investigator watched the unidentified perpetrator return an electric razor that was previously purchased at a San Antonio, TX Target store and receive cash. The unidentified male was observed leaving the store driving a silver Ford Expedition bearing Texas license plate BK4D742. Subsequent investigation revealed the electric razor was fraudulently purchased with a counterfeit check on 05/29/11.

9. Investigator Crowther indicated he ran license plate number BK4D742 through a commercial database and determined it was registered to Kevin Dewayne PATE.

10. Austin Police Detective Matt Conley and I queried law enforcement databases for records related to PATE and determined the following:

- a. Texas DPS records indicated license plate BK4D742 returned to a 1998 Ford Expedition registered in the name of Kevin D. PATE, 9120 Comis Drive, North Richland Hills, TX
- b. TCIC/NCIC records indicated Kevin Dewayne PATE is a white male, 6'01", 296 lbs, with brown hair and brown eyes
- c. TCIC/NCIC records indicated PATE has a criminal record under FBI #341848LA6 and TX #04325303, which includes several arrests and convictions for forgery and fraud related offenses.

11. Between 06/07/11 and 07/30/12, Investigator Crowther provided Det. Conley and I with copies of counterfeit commercial checks, store surveillance video/photos, electronic journals (register receipts), and spreadsheets documenting the fraud scheme.

12. Det. Conley obtained a copy of PATE's Texas driver's license photo. Det. Conley and I compared PATE's driver's license photo to numerous Target store surveillance

video images depicting the heavy-set white male conducting fraudulent transactions at various Target stores throughout Texas. Det. Conley and I concluded PATE appears to be the heavy-set white male adult perpetrating this fraud scheme.

13. I conducted a review of spreadsheets prepared by Investigator Crowther along with the counterfeit check copies, electronic journals, and store video surveillance video/photos. By doing so, I determined PATE has passed approximately 545 counterfeit checks at various Target stores located throughout the Western, Northern, and Eastern Districts of Texas. I further determined Target Stores have suffered a loss of approximately \$55,245.00 as a result of PATE's activity.

14. I determined PATE passed counterfeit checks made to appear drawn on accounts held in the following business/person names:

<u>Business Name</u>	<u>Person Name</u>
Brewer Consulting, LLC	Michael Brewer
Brewer Mechanical Services, Inc.	Michael Brewer
Butler Mechanical Services	Jeff Butler
Cohen Mechanical Services	Brett Cohen
Estes Contractors, Inc.	Mike Estes
Estes Heating and Air, Inc.	Mike Estes
Estes Mechanical Services, Inc.	Mike Estes
Lonestar Contractors, Inc.	Steven Lange, Jeff Butler
Lonestar Mechanical Services, Inc.	Jeff Whitaker
Mechanical Services, Inc.	Steven Lange
Metro Mechanical Services, Inc.	Michael Springer, Steven Lange
Morgan Investments, Inc.	Mike Morgan
Morgan Heating and Air, Inc.	Mike Morgan
Roberts Creative Agency, Inc.	Brett Roberts, Chris Roberts
Roberts Mechanical Services, Inc.	Jeff Roberts
Signs and Graphics, Inc.	Chris Roberts
Tex-Line Mechanical Services, Inc.	Eric Brewer/Bradley Ericks
West Heating and Air, Inc.	Scott West
West Mechanical Services, Inc.	Scott West

15. I determined PATE passed counterfeit commercial checks in the Western District

of Texas on numerous occasions between 2009 and 2012. The following transactions are among the fraudulent activity PATE conducted in the Western District of Texas:

On 05/28/11, PATE passed a counterfeit check in the amount of \$106.00 at Target store #1061 in Austin, TX for the purchase of a stored value card. The check, numbered 2925, bore routing number 111923607 and account number 1793412669, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 1506 W. Breaker Lane, Suite 103, Austin, TX.

On 05/28/11, PATE passed a counterfeit check in the amount of \$108.24 at Target store #1061 in Austin, TX for the purchase of a Panasonic phone. The check, numbered 1800, bore routing number 111923607 and account number 1793412669, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 1506 W. Breaker Lane, Suite 103, Austin, TX.

On 05/29/10, PATE passed a counterfeit check in the amount of \$107.39 at Target store #1354 in San Antonio, TX for the purchase of a stored value card and other merchandise. The check, numbered 2114, bore routing number 111925430 and account number 1564701541, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 6251 Bandera Rd., San Antonio, TX.

On 05/29/10, PATE passed a counterfeit check in the amount of \$108.11 at Target store #1354 in San Antonio, TX for the purchase of a Norelco razor. The check, numbered 2117, bore routing number 111925430 and account number 1564701541, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 6251 Bandera Rd., San Antonio, TX.

On 05/30/11, PATE passed a counterfeit check in the amount of \$107.49 at Target store #176 in San Antonio, TX for the purchase of a stored value card and other merchandise. The check, numbered 2120, bore routing number 111925430 and account number 1563961821, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 6251 Bandera Rd., San Antonio, TX.

On 05/30/11, PATE passed a counterfeit check in the amount of \$106.49 at Target store #176 in San Antonio, TX for the purchase of an ATT cordless phone and a stored value card. The check, numbered 2123, bore routing number 111925430 and account number 1563961821, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 6251

Bandera Rd., San Antonio, TX.

On 05/30/11, PATE passed a counterfeit check in the amount of \$109.23 at Target store #2239 in San Antonio, TX for the purchase of a stored value card and other merchandise. The check, numbered 2125, bore routing number 111925430 and account number 1563961821, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 6251 Bandera Rd., San Antonio, TX.

On 05/30/11, PATE passed a counterfeit check in the amount of \$108.11 at Target store #2239 in San Antonio, TX for the purchase of an ATT cordless phone. The check, numbered 2127, bore routing number 111925430 and account number 1563961821, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 6251 Bandera Rd., San Antonio, TX.

On 05/30/11, PATE passed a counterfeit check in the amount of \$106.97 at Target store #2278 in Temple, TX for the purchase of a stored value card and other merchandise. The check, numbered 2918, bore routing number 111923607 and account number 1793412669, and was made to appear drawn on the Frost Bank account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 1506 W. Breaker Lane, Suite 103, Austin, TX.

On 04/13/12, PATE passed a counterfeit check in the amount of \$97.41 at Target store #1061 in Austin, TX for the purchase of a Norelco razor. The check, numbered 1927, bore routing number 111910005 and account number 803407995, and was made to appear drawn on the Northstar Bank of Texas account of Chris Roberts, Roberts Creative Agency, Inc., 612 Olive Street, Austin, TX.

On 04/13/12, PATE passed a counterfeit check in the amount of \$108.24 at Target store #1061 in Austin, TX for the purchase of a Braun razor. The check, numbered 1928, bore routing number 111910005 and account number 803407995, and was made to appear drawn on the Northstar Bank of Texas account of Chris Roberts, Roberts Creative Agency, Inc., 612 Olive Street, Austin, TX.

On 04/14/12, PATE passed a counterfeit check in the amount of \$97.30 at Target store #1354 in San Antonio, TX for the purchase of a Norelco razor. The check, numbered 2144, bore routing number 111925430 and account number 563961821, and was made to appear drawn on the account of Bradley Ericks, Tex-Line Mechanical Services, Inc., 6251 Bandera Rd., San Antonio, TX.

On 04/14/12, PATE passed a counterfeit check in the amount of \$97.30 at Target

store #2187 in San Antonio, TX for the purchase of a Panasonic phone. The check, numbered 2155, bore routing number 111000025 and account number 25603845503, and was made to appear drawn on the account of Michael Springer, Metro Mechanical Services, Inc., 8205 Bandera Rd., San Antonio, TX.

On 04/14/12, PATE passed a counterfeit check in the amount of \$98.37 at Target store #2426 in San Antonio, TX for the purchase of a Norelco razor. The check, numbered 1748, bore routing number 111900659 and account number 29061553009, and was made to appear drawn on the Prosperity Bank account of Mike Estes, Estes Heating and Air, Inc., 3274 Northwest Drive, San Antonio, TX.

On 04/14/12, PATE passed a counterfeit check in the amount of \$108.11 at Target store #2426 in San Antonio, TX for the purchase of a Braun razor. The check, numbered 1749, bore routing number 111900659 and account number 29061553009, and was made to appear drawn on the Prosperity Bank account of Mike Estes, Estes Heating and Air, Inc., 3274 Northwest Drive, San Antonio, TX.

On 04/15/12, PATE passed a counterfeit check in the amount of \$98.37 at Target store #1979 in San Antonio, TX for the purchase of an ATT cordless phone. The check, numbered 2160, bore routing number 111000025 and account number 2560385503, and was made to appear drawn on the Bank of America account of Michael Springer, Metro Mechanical Services, Inc., 8205 Bandera Rd., San Antonio, TX.

On 04/15/12, PATE passed a counterfeit check in the amount of \$108.11 at Target store #1979 in San Antonio, TX for the purchase of an ATT cordless phone. The check, numbered 2163, bore routing number 111000025 and account number 2560385503, and was made to appear drawn on the Bank of America account of Michael Springer, Metro Mechanical Services, Inc., 8205 Bandera Rd., San Antonio, TX.

16. On 06/19/12, Austin Police Det. Conley obtained a state arrest warrant for suspect PATE based upon evidence obtained during the joint USSS/Austin Police investigation.

17. On 07/19/12, PATE was arrested by Arlington, TX Police at his residence, 805 NE Green Oaks Blvd, #168, in Arlington, TX. When taking PATE into custody, the arresting officers observed several potential items of evidence in PATE's apartment. Austin Police Det. Conley subsequently obtained a warrant authorizing the search of suspect Pate's apartment.

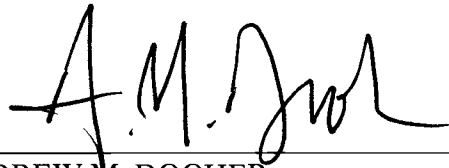
18. Continuing on 07/19/12, Agents of the U.S. Secret Service, Dallas Field Office,

searched PATE's apartment and seized several items of evidence. The following items are among those seized during the search:

- a. Two desktop computers, various storage media, and a computer printer
- b. Numerous suspected counterfeit checks made to appear drawn on the following accounts:

<u>Business Name</u>	<u>Person Name</u>
Brewer Consulting, LLC	Michael Brewer
Metro Mechanical Services, Inc.	Michael Springer
Signs and Graphics, Inc.	Chris Roberts
West Mechanical Services, Inc.	Scott West
West Texas Mechanical Services, Inc.	Brian Brockman
Complete Mechanical Services, Inc.	Jeff Belton
Affordable Heat and Air, Inc.	Steve Shelton

Based upon the foregoing facts, there is probable cause to believe that Kevin Dewayne PATE did commit one or more offenses in violation of Title 18, United States Code, Section 513.



ANDREW M. DOOHER
SENIOR SPECIAL AGENT
UNITED STATES SECRET SERVICE

Sworn to before me this
3rd day of August, 2012



UNITED STATES MAGISTRATE JUDGE
WESTERN DISTRICT OF TEXAS